



Hungary

Employment Pacts

Framework and setting

- Geographic scale** At first, Employment Pacts were established in the western part of the country covering the counties Vas, Zala, and Győr-Moson-Sopron. Recently, partnerships were set up in all seven NUTS II regions of Hungary (average population: approximately 1,000,000) on different levels (city, sub-regional, county, regional).
- Policy framework** There is an overall framework for the establishment of the pacts: the Regional Development Operational Programme. The five Employment Pacts of Western Hungary were previously supported by the Phare programme.

Partnerships at work

- Rationale** The unemployment rates in the regions increased to a great extent. Most of the labour force commuted out of the regions and there was no adequate communication between organisations working within the labour market. It was recognised that unemployment could be reduced through the effective co-operation of local actors.
- Objectives** The objectives of the partnerships are to create jobs through supporting local enterprises, to preserve jobs by initiating training projects that meet employer demands, to match the professional training structure to the needs of the economy, to improve the chances of disadvantaged persons to find employment, to provide career orientation and vocational training programs for young people with a poor educational background, to support the employment of youth with a higher educational degree, to develop local and community services and to promote equal opportunities for men and women.
- Functions** Partnership functions include developing employment strategies, preparing employment programmes and assisting in the creation of employment projects, creating an employment database and an information network, supporting disadvantaged people, preparing regional employment analysis, studies and surveys and searching for, allocating and co-ordinating funds.
- Policy areas** Labour-market policy, social policy and economic policy
- Policy tools/ Instruments** The major instruments used are tailor-made training programmes (the Employment Pact of Szombathely, for example, builds up a modern structure for professional training in co-operation with local schools and higher education institutions and the Letenye Region Employment Pact organises adult training and re-training).
- Timeframe** The Employment Pact of Szombathely was signed in May 2004 for an indeterminate period. The Letenye Region Employment Pact is operational from August 2003 to April 2007. The Zala-KAR Region Pact was established in 2004 but the main co-operation, and implementation of joint projects, began in 2005. The Employment Pact Lövő was signed on 21 April 2004. The Employment Pact in Kemenesalja also started in 2004.
- Partners** The main partners are municipalities, Regional Councils, Labour Centres, training institutions, enterprises, employers, NGOs, associations, regional development agencies, Chambers of Commerce and Industry, Chambers of Agriculture, Centres for Entrepreneurs, Members of Parliament and minority autonomies.
- Contracts** All Pacts signed partnership agreements.
- Legal status** The partnerships have no legal status (optional and voluntary participation of partners).
- Sources of Financing** The Regional Development Operational Programme (co-financed by the European Social Fund) finances the Employment Pact of Szombathely and Lövő. The Letenye Region Employment Pact also receives 100% support from public funding. The Employment Pact in Kemenesalja relies on grants and contributions from its partners, whilst the Zala-KAR Region Pact ensures its financing from applications.

- Results**
- _ Employment Pact of Szombathely: The activities of partners in terms of project applications increased to a great extent. In the last seven months, the organisational framework has also been better established.
 - _ Letenye Region Employment Pact: The situation of labour market entrants, women, disadvantaged groups, roma and entrepreneurs were explored, the employment programme established and projects implemented.
 - _ Employment Pact in Kemenesalja: A rehabilitation centre employing 20 people with disabilities has opened in Jánosháza, which is jointly funded by a number of partners. As a response to the employment and training demands of Mávécscell Ltd (one of the biggest employers in the region), the Vas County TIT, an educational association, has initiated a training program with the support of the Labour Centre of Vas County. As a result, eleven people have achieved qualifications.
 - _ Zala-KAR Region Pact: operational employment strategy was established in the last two years.
 - _ Employment Pact Lövő: A steering committee and a working group were established, the employment strategy elaborated, an exchange programme between Hungarian and Austrian VET schools implemented and three cross-border projects prepared.

Partnerships' highlight

Programme/Project	Cross-border co-operation West-Hungary / East-Austria
Timeframe	Not defined
Objectives	The objectives are to widen and strengthen cross-border labour market co-operation, knowledge transfer, the exchange of experience, the elaboration of a joint cross-border employment strategy and the implementation of projects.
Activities	Activities include the elaboration of a joint employment strategy, organisation of workshops and conferences, organisation of study visits for Austrian and Hungarian vocational students, preparation of cross-border project plans, publication of brochures and public leaflets, development of services for entrepreneurs, organisation of vocational training and ensuring training, validation and networking.
Results	A joint cross-border employment strategy was created. Relevant information was disseminated to respective bodies at workshops and conferences, an exchange programme for Austrian and Hungarian students was implemented, three cross-border project plans were created and leaflets issued.

Contacts

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